

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

TRANSFERRING BOUND PRINTED MATTER  
PARCELS TO THE COMPETITIVE PRODUCT  
LIST

Docket No. MC2021-78

RESPONSE OF THE UNITED STATES POSTAL SERVICE TO QUESTION 9b OF  
CHAIRMAN'S INFORMATION REQUEST NO. 1  
(April 29, 2021)

The United States Postal Service hereby provides its response Chairman's Information Request No. 1, Question 9b, issued on April 14, 2021. The Postal Service filed response to all other questions on April 21, 2021, reserving response to this question while determining whether responsive studies and analyses existed. Having located responsive information, the Postal Service files its answers with an appropriate motion and a request for non-public treatment. The Postal Service is filing a substantially identical response to Chairman's Information Request No. 3, Question 7, under separate cover.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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April 29, 2021

**RESPONSE OF THE UNITED STATES POSTAL SERVICE  
TO CHAIRMAN'S INFORMATION REQUEST NO. 1 – Question 9b**

9. Pages 7-8 of the Request states, “However, the cost of the higher UPS and FedEx list prices pays, in part, for additional features not offered by BPM Parcels, such as the five-day delivery guarantee within the continental United States and a much higher weight limit. In addition, UPS and FedEx commercial customers generally do not pay published rates but rather obtain negotiated rates such that the average rates actually paid are lower than the published rates would suggest. Indeed, UPS stated in its 2020 fourth-quarter earnings call that it is moving toward more personalized pricing for its customers.”
- b. Please provide all studies and analyses (with relevant calculations, programs, workpapers, and documentation), whether formal or informal, performed by the Postal Service or on its behalf regarding how much lower UPS and FedEx negotiated rates are than UPS and FedEx list prices.

**Response:**

As the Commission has framed the question, and given the portions of the transfer request from which it quotes, the Postal Service understands the question to ask for information showing that, and how much, negotiated rates for UPS Ground and FedEx Ground are lower than published prices for these services.

That information, given in Attachment A, below, is filed under seal with a motion for non-public treatment. The information was provided to it by a third party, the Colography Group, Inc., which retains a proprietary interest in the information. Acting under 39 C.F.R. § 200(b), the Postal Service notified Colography of the Chairman's information request and received its consent to provide this answer under seal.

- Discounts on [REDACTED] ground shipping [REDACTED]  
[REDACTED] promotional  
discounting [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[illegible]

- [REDACTED] [REDACTED] commercial carriers  
offer larger discounts off published rates [REDACTED]  
[REDACTED]

1) **Higher discounts** – [REDACTED]

- [REDACTED]
  - [REDACTED]  
[REDACTED]
- [REDACTED] [REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED] [REDACTED]  
[REDACTED]
- [REDACTED] [REDACTED]  
[REDACTED]  
[REDACTED]
  - [REDACTED]
- [REDACTED] [REDACTED]  
[REDACTED]

[REDACTED]

## GROUND

- [REDACTED] leverage discounted rates [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]

Lbs	Zone 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							

[REDACTED]

■ [REDACTED]

[REDACTED]

■ [REDACTED]

[REDACTED]





[REDACTED]



## SALES COMMUNICATION

### Sample UPS Savings

Curious what kind of savings you'll see with the new rates? Here are a few samples, showcasing the savings of the UPS Digital Access Program on Shippo versus UPS daily rates.

 UPS® Ground Residential Atlanta to Miami <div><del>\$16.88</del> 50% savings</div> <div><b>\$8.40</b></div> <div>2 lb. package</div>	 UPS® Ground Residential Chicago to Atlanta <div><del>\$18.90</del> 47% savings</div> <div><b>\$10.08</b></div> <div>7 lb. package</div>
 UPS® Ground Residential Los Angeles to San Bernadino <div><del>\$17.52</del> 44% savings</div> <div><b>\$9.76</b></div> <div>10 lb. package</div>	 UPS 2nd Day Air® Residential New York to Atlanta <div><del>\$37.15</del> 60% savings</div> <div><b>\$14.78</b></div> <div>3 lb. package</div>

 UPS® Ground Residential Miami to Los Angeles <div><del>\$23.41</del> 32% savings</div> <div><b>\$15.79</b></div> <div>8 lb. package</div>	 UPS 2nd Day Air® Residential Atlanta to Dallas <div><del>\$34.15</del> 61% savings</div> <div><b>\$13.38</b></div> <div>2 lb. package</div>	 UPS Worldwide Saver® Los Angeles to Calgary <div><del>\$102.86</del> 71% savings</div> <div><b>\$29.66</b></div> <div>1 lb. package</div>
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